

CLAIMS

1. (Currently Amended) A method for enhancing the liquidity of a tradable security, comprising the steps of:

holding an issue of the security;

retaining, by a computer system, a first portion of the holding ~~by a computer~~;

determining ~~in a~~, by the computer system, when the security is being squeezed; and

offering to the market a second portion of the holding during the squeeze other than for the purpose of effecting non-borrowed reserves and to enhance the liquidity of the market for the security.

2. (Original) The method according to claim 1, wherein the step of offering to the market a second portion of the holding further comprises the step of auctioning the second portion of the holding to a group of market participants according to a pre-determined bid range.

3. (Original) The method according to claim 2, wherein the bid range comprises a minimum bid set at a rate that is greater than or equal to about the rate for general collateral less about 175 basis points and not less than about 1%.

4. (Original) The method according to claim 2, further comprising the step of determining the results of the auction according to a pre-determined format.

5. (Original) The method according to claim 1, wherein the first portion varies between a range of about 25% to about 50% of the issue.
6. (Original) The method according to claim 1, wherein the second portion varies between a range of about 10% to about 25% of the issue.
7. (Original) The method according to claim 1, wherein the second portion comprises all of the first portion.
8. (Original) The method according to claim 1, wherein the second portion comprises less than all of the first portion.
9. (Original) The method according to claim 1, further comprising the step of repoing the second portion of the holding.
10. (Currently Amended) A method for enhancing the liquidity of a tradable security, comprising the steps of:
 - committing to provide a repo facility for the security;
 - issuing the security;
 - ~~in a computer system~~ retaining, by a computer system, a first portion of the issuance of the security ~~by a computer~~;

establishing criteria for lending a second portion of the retained first portion of the issuance by-a the computer system;

lending the second portion of the issuance of the security pursuant to the criteria other than for the purpose of effecting non-borrowed reserves; and

repoing the second portion of the issuance pursuant to the criteria.

11. (Original) The method according to claim 10 wherein the step of lending the second portion of the issuance further comprises the step of auctioning the second portion of the issuance to a group of market participants, and the established criteria comprises a pre-determined bid range.

12. (Original) The method according to claim 11, wherein the bid range comprises a minimum bid set at a rate that is greater than or equal to about the rate for general collateral less about 175 basis points and not less than about 1%.

13. (Original) The method according the claim 11, further comprising the step of determining the results of the auction according to a pre-determined format.

14. (Original) The method according to claim 10, wherein the first portion varies between the range of about 25% to about 50% of the issue.

15. (Original) The method according to claim 10, wherein the second portion varies between the range of about 10% to about 25% of the issue.

16. (Original) The method according to claim 10, wherein the second portion comprises all of the first portion.

17. (Original) The method according to claim 10, wherein the second portion comprises less than all of the first portion.

18. (Original) A system for repoing a security in a market, comprising:

commitment to the market to repo the security;

issuance means for issuing the security;

retention means for retaining a portion of the security;

lending means for lending a second portion of the retained securities when the market for the security is special other than for the purpose of effecting non-borrowed reserves; and

repo means for repoing the securities to enhance the liquidity of the security.

19. (Currently Amended) A method for enhancing the liquidity of a tradable security by an entity selected from the group consisting of:

a private issuer, a non-treasury entity, a non-governmental entity, and a non-agency entity,

said method comprising the steps of:

holding an issue of a security;

retaining, by ~~in~~ a computer system, a first portion of the holding;

determining, by the ~~in~~ a computer system, when the security is being squeezed; and

offering to the market a second portion of the holding during the squeeze other than for the purpose of effecting non-borrowed reserves and to enhance the liquidity of the market for the security.

20. (Original) The method according to claim 19, wherein the step of offering to the market a second portion of the holding further comprises the step of auctioning the second portion of the holding to a group of market participants according to a pre-determined bid range.

21. (Original) The method according to claim 20, wherein the bid range comprises a minimum bid set at a rate that is greater than or equal to about the rate for general collateral less about 175 basis points and not less than about 1%.

22. (Original) The method according to claim 20, further comprising the step of determining the results of the auction according to a pre-determined format.

23. (Original) The method according to claim 19, wherein the first portion varies between a range of about 25% to about 50% of the issue.

24. (Original) The method according to claim 19, wherein the second portion varies between a range of about 10% to about 25% of the issue.

25. (Original) The method according to claim 19, wherein the second portion comprises all of the

first portion.

26. (Original) The method according to claim 19, wherein the second portion comprises less than all of the first portion.

27. (Original) The method according to claim 19, further comprising the step of repoing the second portion of the holding.

28. (Previously presented) A method for enhancing the liquidity of a tradable security stored on a computer readable medium for causing a computer to perform the steps comprising:

holding an issue of the security;

retaining by a computer system a first portion of the holding;

determining that the security is being squeezed; and

offering to the market a second portion of the holding during the squeeze to enhance the liquidity of the market for the security.